

# Welcome

Kingsport, Tennessee USA



Punta Arenas, Magallanes, Chile









# About Kingsport...

- ▶ **Hottest summer days are like Boston or Minneapolis, but the winter snowfall was 34 inches less?**
- ▶ **Average winter days are like Atlanta, but the summers had 35 fewer sweltering 90+ degree days?**
- ▶ **Annual high and low temperatures are like San Francisco (without the faultline)?**
- ▶ **Number of 90+ degree days are half that of Denver (and the winters had 45 fewer inches of snowfall)?**
- ▶ **Lush green vegetation is naturally maintained by rainfall amounts comparable to Seattle**
- ▶ **Nature's beauty unfolds in four balanced seasons**
- ▶ **Natural watershed scored a perfect 100**
- ▶ **Equidistant from every major metropolitan market in the eastern U.S.**
- ▶ **Consistently one of the most affordable places to live?**
- ▶ **Mix in some of the nicest, most accommodating people in the world...**

***Kingsport, Tennessee ... it's a great place to live!***



# Equidistant to New York, New Orleans, Chicago & Orlando





Kingsport's population is large enough to have amenities, but small enough to avoid problems like traffic and crime.

Nashville, TN	1,593,050
Memphis, TN-MS-AR	1,316,579
Knoxville, TN	699,180
Greenville, SC	638,576
Chattanooga, TN-GA	530,205
Asheville, NC	422,752
<b>Kingsport, TN-VA*</b>	<b>310,695</b>
Roanoke, VA	308,893
Charleston, WV	304,571
Spartanburg, SC	284,713
Clarksville, TN-KY	274,695
Charlottesville, VA	199,776
<b>Johnson City, TN</b>	<b>198,974</b>
Anderson (Clemson) , SC	187,269
Blacksburg (Virginia Tech)	161,768

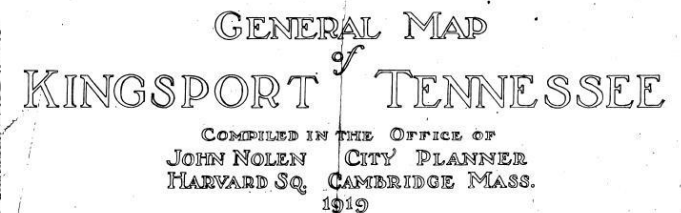
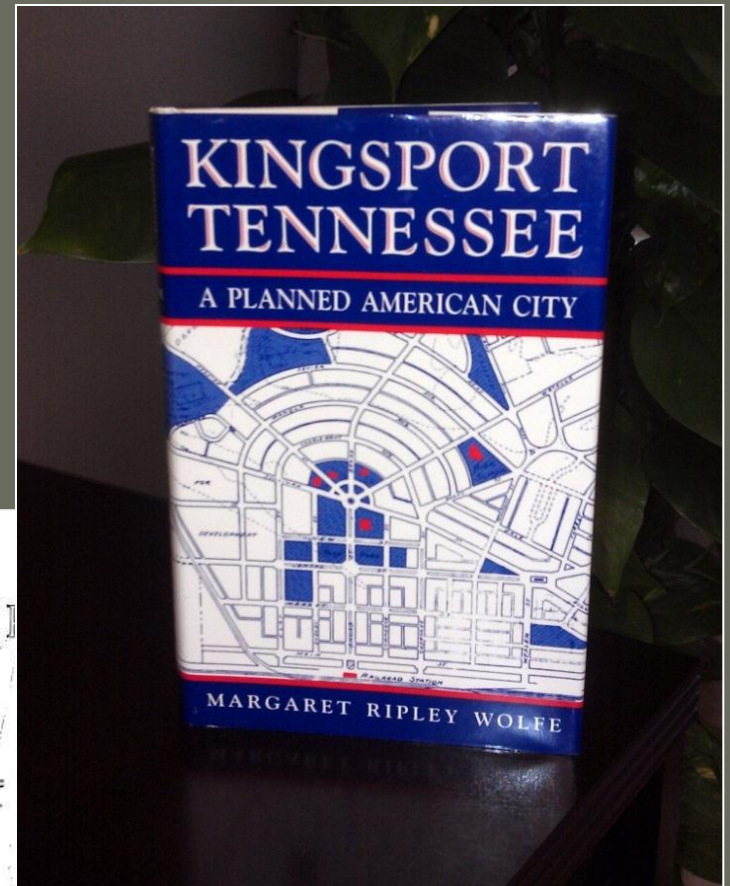
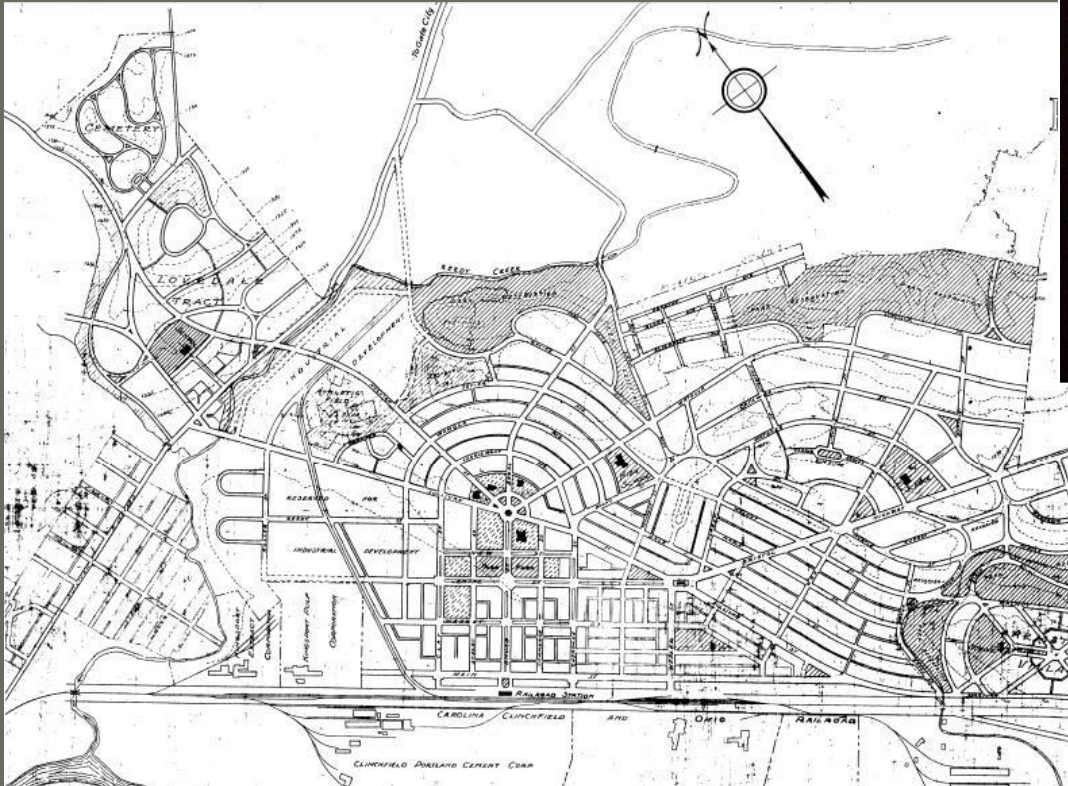


**\*1,000,000 within 50 mile radius**



## ***"The Kingsport Spirit"***

*"Were I to undertake to define the spirit underlying every step in the growth of Kingsport, from the days of its humblest beginning until now, I could not avoid the assertion that the spirit...is one of mutual helpfulness and a willingness to submerge selfish interest..."*





# About Kingsport: Finance

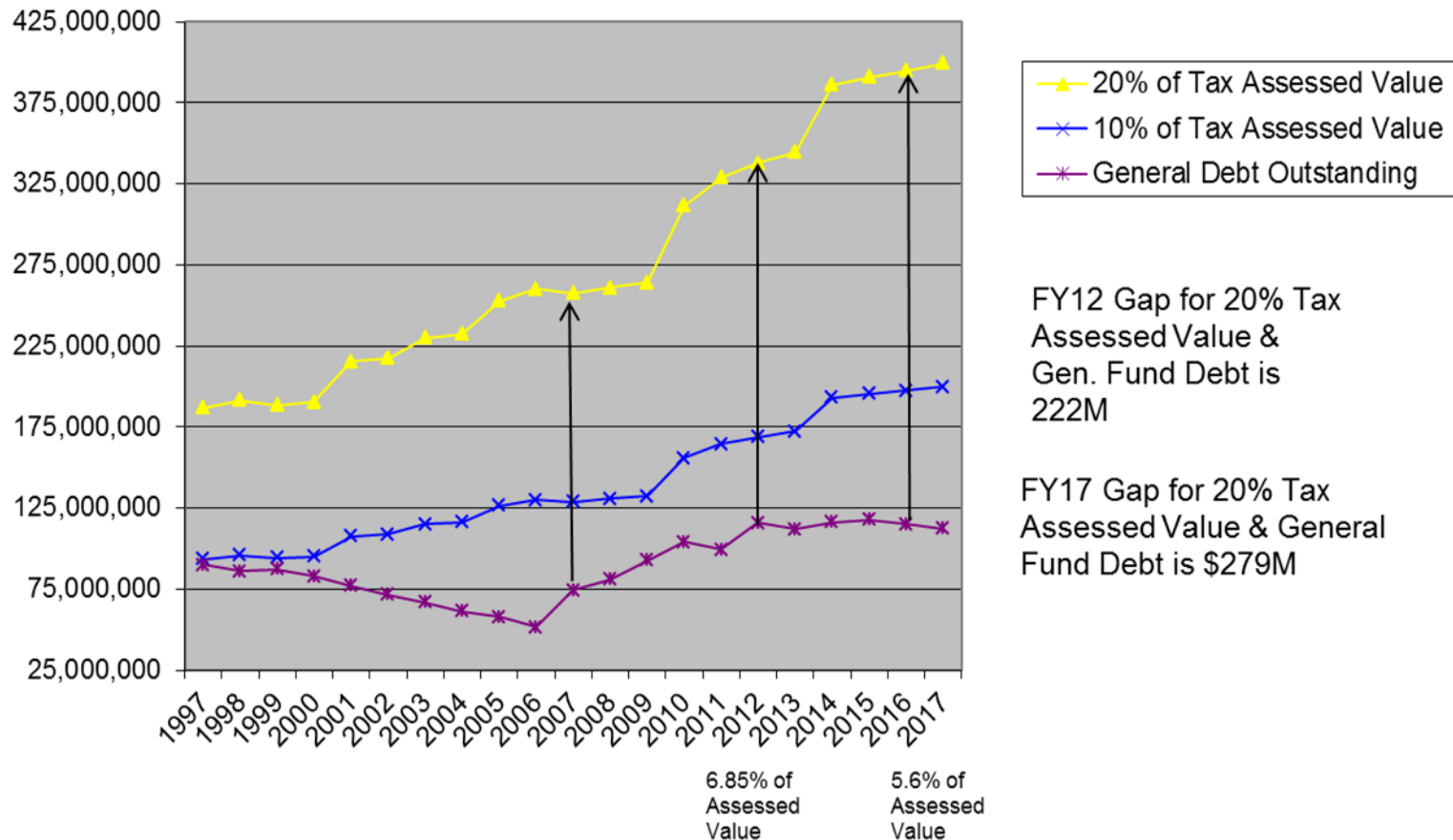


- ▶ Property Tax rates have not been increased
- ▶ For past 4 years, property tax rate is lowest in 25 years, 6<sup>th</sup> lowest in city's history
- ▶ Employee pay has increased every year – even during tough economic times
- ▶ Moody's bond rating was upgraded from Aa1 to Aa2 in FY11
- ▶ Operate at approximately 5% of a self-imposed 10% debt ceiling (legal limit is 20%)
- ▶ Received unqualified opinions on City Audit for 11 straight years
- ▶ Received national awards for excellence financial reporting & budgeting for 11 years
- ▶ Assessed taxable value has grown 52% (\$1.076 billion in 2001, \$1.643 billion in 2010)



# About Kingsport: Actual Debt vs. Debt Ceiling

Percentage of Taxble Assessed Value & Allowable General Fund Debt 1997-2017  
(Projected 2013 Through 2017)



# About Kingsport: City Budget = \$212,164,014

City of Kingsport, TN    City Population = 50,851

## MAJOR AREAS OF SPENDING:

▶ General Fund (Police, Fire, Sanitation, Streets, etc.)	\$69,559,000
▶ General Purpose Schools Fund	\$63,005,000
▶ Water Fund	\$13,367,400
▶ Wastewater Fund	\$14,019,000
▶ Solid Waste	\$ 4,186,200
▶ Fleet/Vehicle Replacement Fund	\$ 9,003,200
▶ Health Insurance Fund	\$ 7,524,000
▶ Risk Management Fund	\$ 2,654,700
▶ Electric	Private utility
▶ Gas	Private utility
▶ Cable	Private utility





## ***Economy in Transition***

**Transitioned from 'working hard' to 'working smart'**

<b>2010 Employees By Occupation</b>	<b>Count</b>	
<i>"White Collar" Employees</i>	32,038	53.4%
Administrative Support Workers	9,705	16.2%
Executive Managers & Administrators	6,146	10.3%
Professional Specialty Occupations	7,547	12.6%
<i>"Blue Collar" Employees</i>	27,914	46.6%
Other Services Site Based	8,398	14.0%
Precision Craft & Repair	6,189	10.3%





## Kingsport Academic Village brings 2,100 students downtown

Then and Now	1999 Summit	2010 ACS 5-Yr
College degree or higher	18%	32%
Median age	42.3	43.7
Over 65	21%	20%
Median Family Income	\$30,279	\$51,826

## Harvard recognizes city's efforts to spur education

Most residents already consider Kingsport a special place. All the same, it's gratifying that the city has been identified by Harvard University as creating some of the most innovative education initiatives in the nation.

This week in Washington, D.C., the Ash Institute for Democratic Governance and Innovation at the John F. Kennedy School of Government at

Harvard University honored Kingsport as one of only six winners of the 2009 Innovations in American Government Awards.

The prestigious award is a recognition from one of the top universities in the nation of Kingsport's years of work in promoting and advancing higher education — from the Educate and Grow program, to the newly opened Kingsport Center for Higher Education, to the idea of creating an Academic Village in downtown Kingsport.

As Mayor Dennis Phillips noted, this incredible accomplishment will "draw attention to not only Kingsport, but the

from Carson-Newman College, King College, Lincoln Memorial University and the University of Tennessee.

Two other facilities are the Regional Center for Advanced Manufacturing to open in August with help from Eastman and Domtar, and the Pal Barger School of Automotive Technology, set to open downtown next year.

Such initiatives have already helped brand Kingsport as a community interested in lifelong learning and a high quality of life. That, in turn, has helped attract new business, retain existing businesses and retrain a labor force to meet the increasing demands of a truly global marketplace.

There are more than 15,000 economic development districts in the U.S., all equally eager for job growth. Given that enormous number of competitors, recognition by Harvard certainly helps increase Kingsport's visibility nationally, and that's an opportunity city leaders can capitalize on — along with the city's other, equally valuable, at-

most-industrial, infor-

## Education a family affair for Church Hill foursome

■ **'As long as** you're willing to learn, you will learn here.'  
— Troy Christian

By RICK WAGNER  
rwagner@timesnews.net

KINGSPORT — When it comes to the Kingsport Center for Higher Education, the Christian family of Church Hill is keeping it all in the family.

Dad Troy Christian, mom Teresa,



and professors and among students.

"They're really here to help us learn," Teresa said of the professors, including her anatomy professor, whom she talked with as he came through a hall at the center during the family's recent interview. "You're about get to know everybody in your classroom by the end of the semester on a personal level."

Of the Christians:

• Troy has worked at Domtar for about four years. About three years



More than 75% of workforce in establishments with <9 employees



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2010	Count	%
1-4 Employees	1,381	56.4%
5-9 Employees	472	19.3%
10-19 Employees	290	11.8%
20-49 Employees	181	7.4%
50-99 Employees	75	3.1%
100-249 Employees	36	1.5%
250-499 Employees	8	0.3%
500-999 Employees	3	0.1%
1,000+ Employees	4	0.2%

[CNNMoney.com](#) > [Small Business](#) > [Best Places to Launch](#)

## BEST PLACES TO LAUNCH

The best metro areas for small business startups

2009 ▾

Full List

Near You

Find Loans

Business Climate

Costs

Fastest small business growth

Educated workers

Low crime

High income

Growing economy

### Fastest small business growth

In these metro areas, the number of small businesses -- companies with fewer than 50 employees -- grew fast from 2004-2007.

FASTEST GROWTH

SLOWEST GROWTH

Rank	Metro area	Small business growth rate	# of small businesses (1-49 employees)
1	Kingsport, TN	43.7%	6,087
2	St. George, UT	29.8%	4,224
3	Provo, UT	23.0%	10,525
4	Bend, OR	22.6%	6,554
5	Palm Coast, FL	22.4%	1,888

### Best Places Winners


 Show: [All 50](#) [Top Large Places](#) [Top Midsize](#) [Top Small](#)

### Top 25 Lists

[Small business growth](#)
[College-educated workers](#)


### Find your law

Do you prefer a place is:

The factors that matter most to me are:

☐ Affordable wage

☐ Educated workers

☐ Low crime



# Leisure, Hospitality, Sports Tourism

MeadowView Marriott 80,000+ guests per year

\$128 million in spin-off private taxable investments

Direct Tourist Spending: Sullivan Co \$286,000,000



# Kingsport is...Four Balanced Seasons





# **Kingsport is ...**

## **Near 5 national parks**

- ▶ **Great Smoky Mountains**
- ▶ **Cumberland Gap**
- ▶ **Appalachian Trail**
- ▶ **Blue Ridge Parkway**
- ▶ **Andrew Johnson**

**National Park Service**

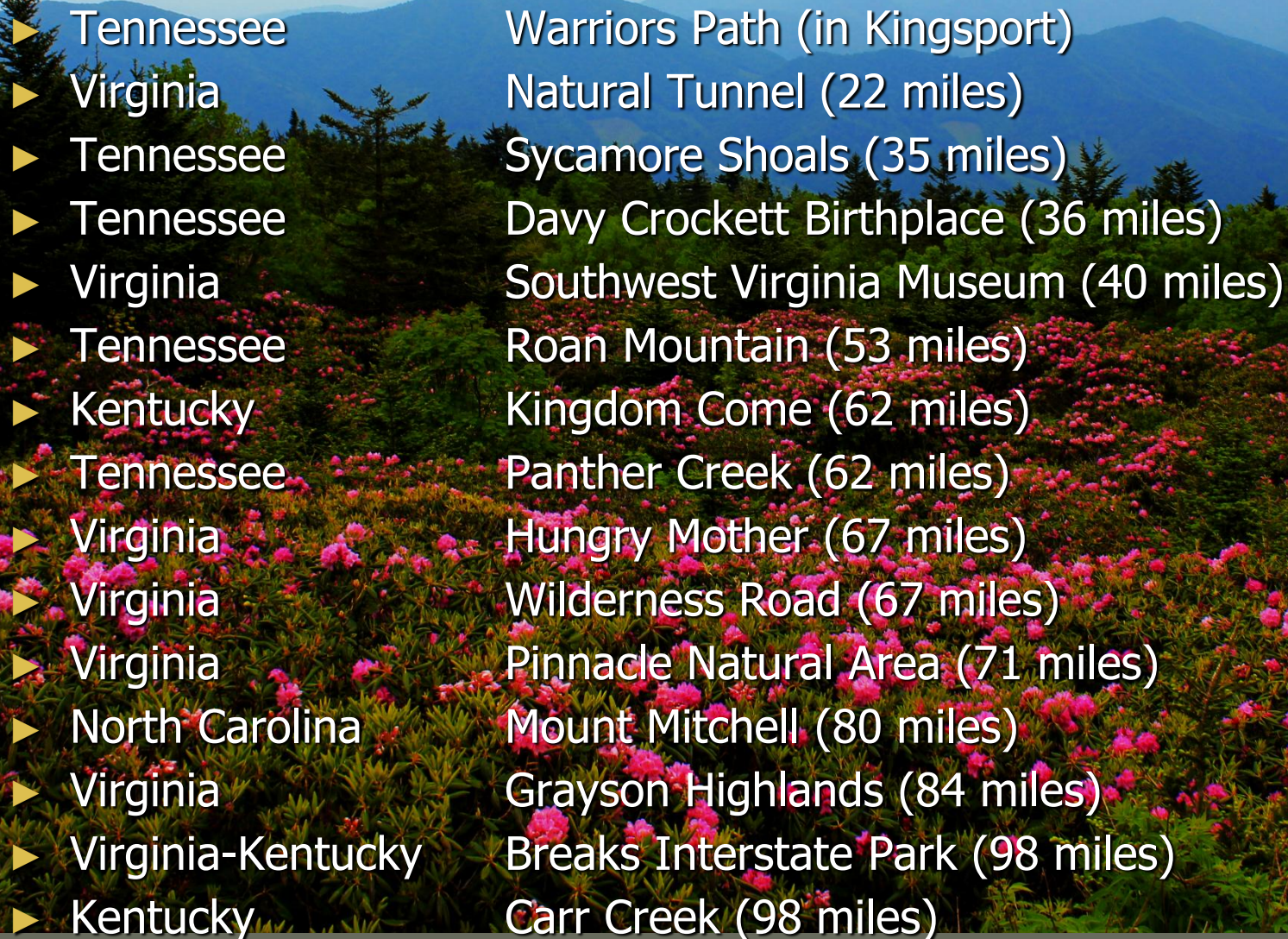
National Park Service  
U.S. Department of the Interior





# Kingsport is ...

**Less than 100 miles from 15 state parks in 4 states**

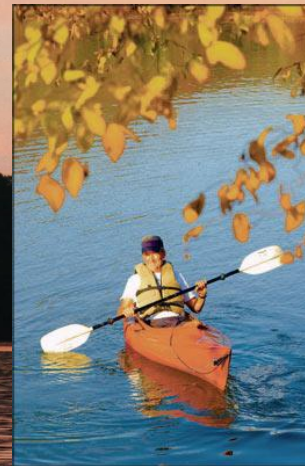
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- ▶ Tennessee Warriors Path (in Kingsport)
  - ▶ Virginia Natural Tunnel (22 miles)
  - ▶ Tennessee Sycamore Shoals (35 miles)
  - ▶ Tennessee Davy Crockett Birthplace (36 miles)
  - ▶ Virginia Southwest Virginia Museum (40 miles)
  - ▶ Tennessee Roan Mountain (53 miles)
  - ▶ Kentucky Kingdom Come (62 miles)
  - ▶ Tennessee Panther Creek (62 miles)
  - ▶ Virginia Hungry Mother (67 miles)
  - ▶ Virginia Wilderness Road (67 miles)
  - ▶ Virginia Pinnacle Natural Area (71 miles)
  - ▶ North Carolina Mount Mitchell (80 miles)
  - ▶ Virginia Grayson Highlands (84 miles)
  - ▶ Virginia-Kentucky Breaks Interstate Park (98 miles)
  - ▶ Kentucky Carr Creek (98 miles)



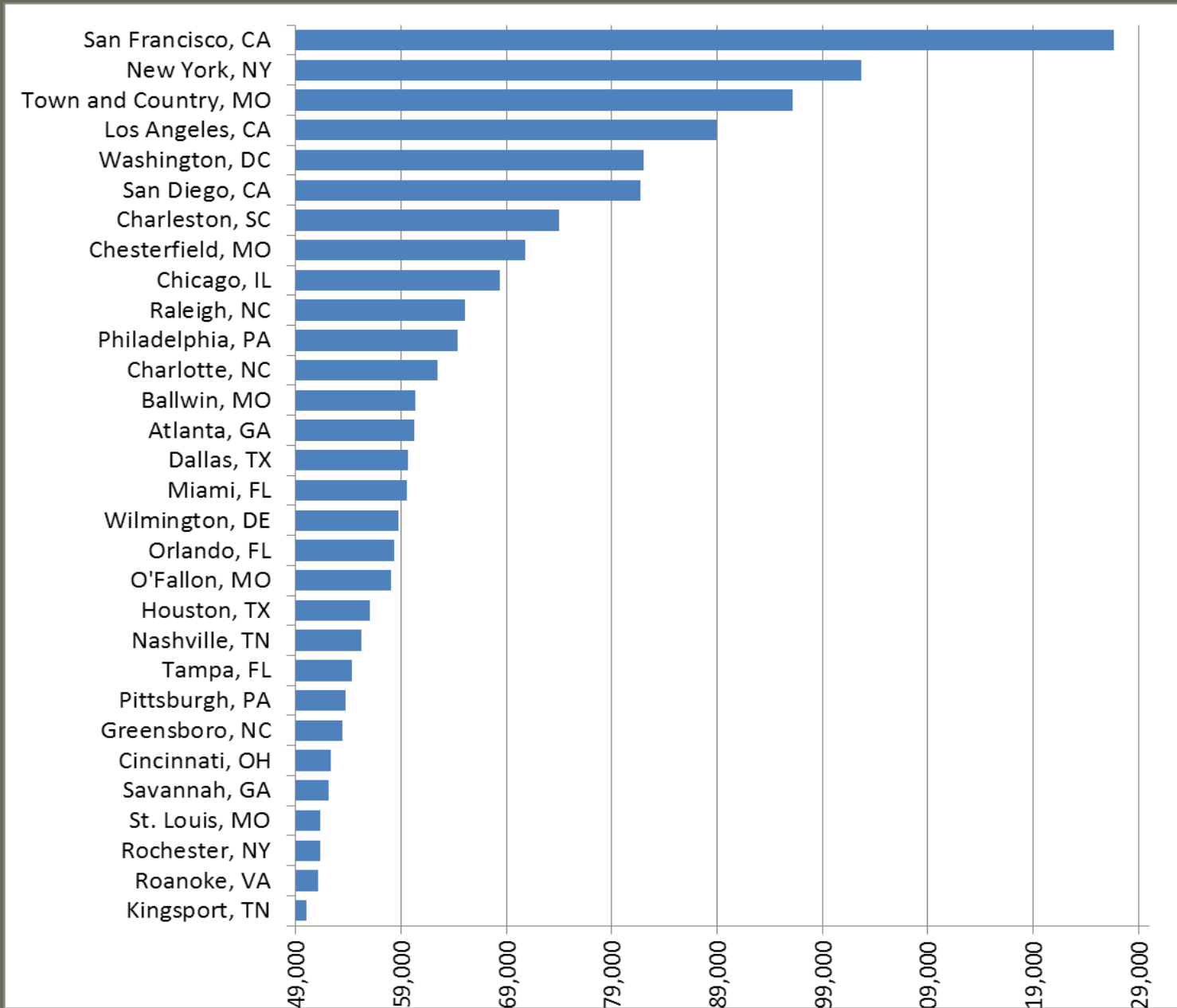
# Kingsport is ...

## Near 6 TVA dam-controlled lakes

- ▶ Fort Patrick Henry (inside Kingsport)
- ▶ Boone (15 miles)
- ▶ Cherokee (29 miles)
- ▶ South Holston (33 miles)
- ▶ Watauga (41 miles)
- ▶ Douglas (74 miles)



# Equivalent Cost of Living for \$50,000 (bestplaces.net/col)





# Kingsport = Low Cost of Living + High Quality of Life

Total City & County property taxes = 1% of appraised home value

- No solid waste, garbage, trash or recycling fees
- No special school tax or tuition
- No special district tax (fire, parks, etc.)
- No wheel tax in Sullivan County
- No state income tax on salaries/wages
- No personal property tax on vehicles, boats, etc.
- No vehicle inspection fees
- No annual vehicle taxes of any kind
- Housing costs = 38% below national average
- Utilities costs = 12% below national average
- Transportation costs = 4% below national average
- Healthcare costs = 11% below national average
- Internationally accredited police, fire & medical responders



# Employer Profile

NO. 55

## Eastman Chemical Co.

Kingsport, Tenn. [South Atlantic]

<http://www.eastman.com>

<http://www.eastman.com/Company/Careers/>

### Why You Want to Work There

The newest employees at this chemical firm in Kingsport, Tenn., go through a formal yet flexible onboarding program. The employee's entire workgroup is involved, and the new hire is also paired with a mentor. As part of the development process, employees can work in various areas of the organization to build their experience, and interested employees are also given opportunities outside of IT, in areas such as manufacturing, to enhance their skills. An IT Development Club gives newer employees a better understanding of the organization, helps them identify career opportunities and network with others to develop business relationships. The club hosts informational speakers – usually top IT leaders – and social events where employees can enjoy activities such as bowling or hiking. **Fluid schedules** Flexible or alternate work arrangements include standard workweeks compressed into fewer than five eight-hour days. Many employees choose to work four nine-hour days and one four-hour day. The company also caters to diverse interests through clubs such as the Eastman Professional Development Club, International Club and various recreation clubs. An annual merit review process awards pay increases based on individual performance and an employee/team recognition directly links rewards and recognition to short-term employee contributions to business objectives.

Rank by company size

Medium, No. 15

### EMPLOYEE STATISTICS

Total employees

8,633

Total IT employees

320



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### **Waconia, Minnesota**

Only 30 minutes west of the Twin Cities, and it boasts an outdoor playground of natural beauty...plus a community indoor water park. The town is an especially friendly place to build a primary care practice in or near Minneapolis/St. Paul, then come home to this cozy settlement of 9,000 on the shores of Lake Waconia.



# **Medical. Economics®**

**SMARTER BUSINESS. BETTER PATIENT CARE.**



### **Kingsport, Tennessee**

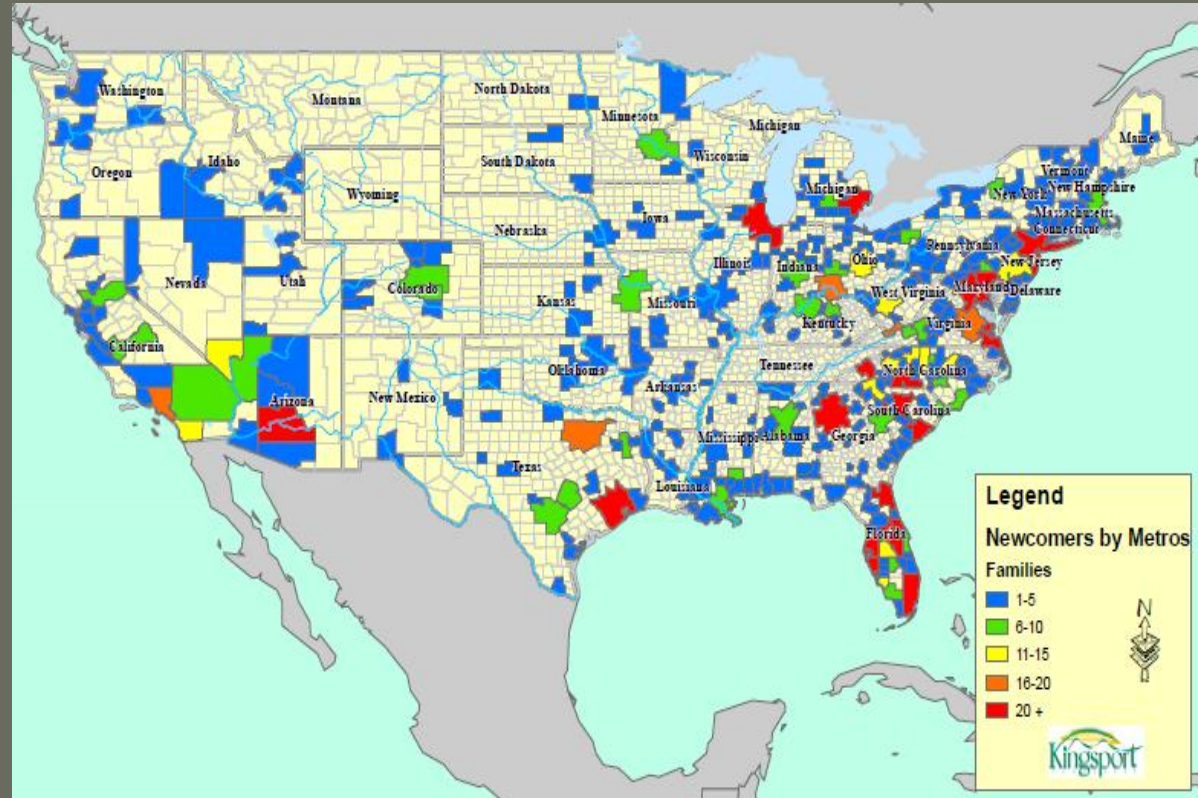
Recently named one of the best cities to practice medicine in America by

Medical Economics Magazine.

# Top Metros Moving to Kingsport

*2,608 families relocated from 49 states & DC (2006-2012)*

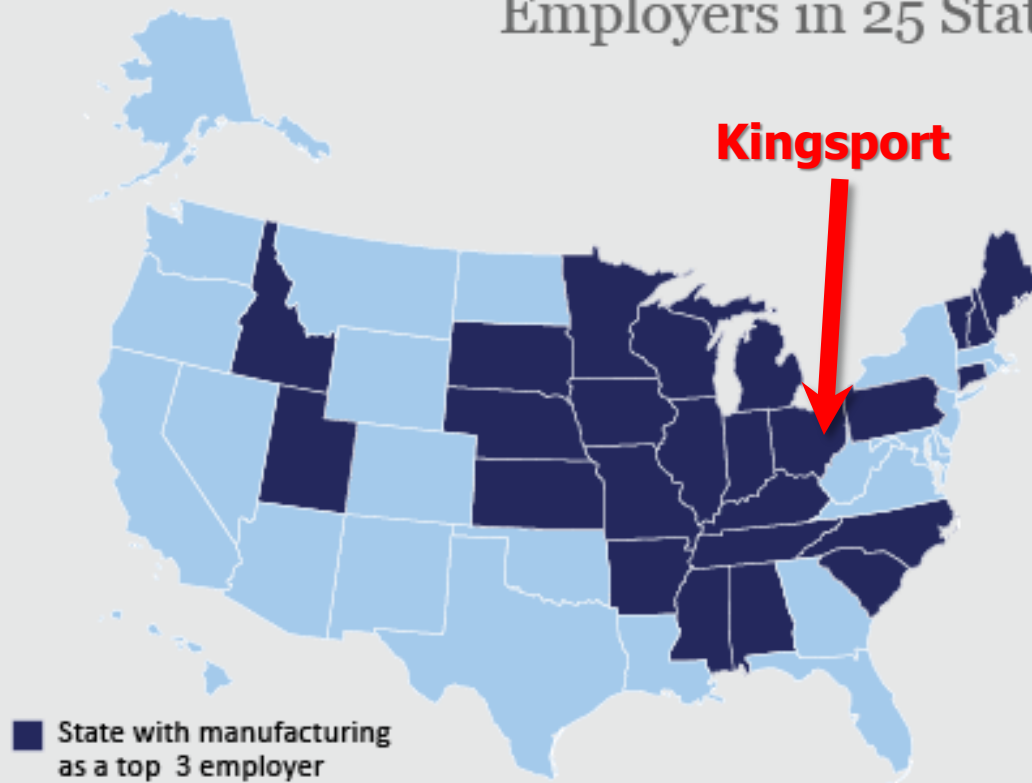
1	Tampa Bay, FL
2	Washington, DC-VA-MD-WV
3	Atlanta, GA
4	Miami-Ft Lauderdale, FL
5	New York-Northern NJ
6	Asheville, NC
7	Charlotte, NC-SC
8	Orlando, FL
9	Virginia Beach-Norfolk, VA-NC
10	Deltona-Daytona, FL
11	Detroit, MI
12	Chicago, IL-IN-WI
13	Houston, TX
14	Baltimore, MD
15	Charleston, SC
16	Phoenix, AZ
17	Jacksonville, FL
18	Sarasota-Bradenton, FL
19	Columbia, SC
20	Dallas-Fort Worth, TX
21	Cincinnati, OH-KY-IN





# Manufacturing Today

## Manufacturing is One of the Top 3 Employers in 25 States



# Kingsport

The 141,831 manufacturing establishments in these states employ over 6 million people with nearly \$293 billion in annual payroll.

### Top 5 States in Manufacturing Employment: 2010

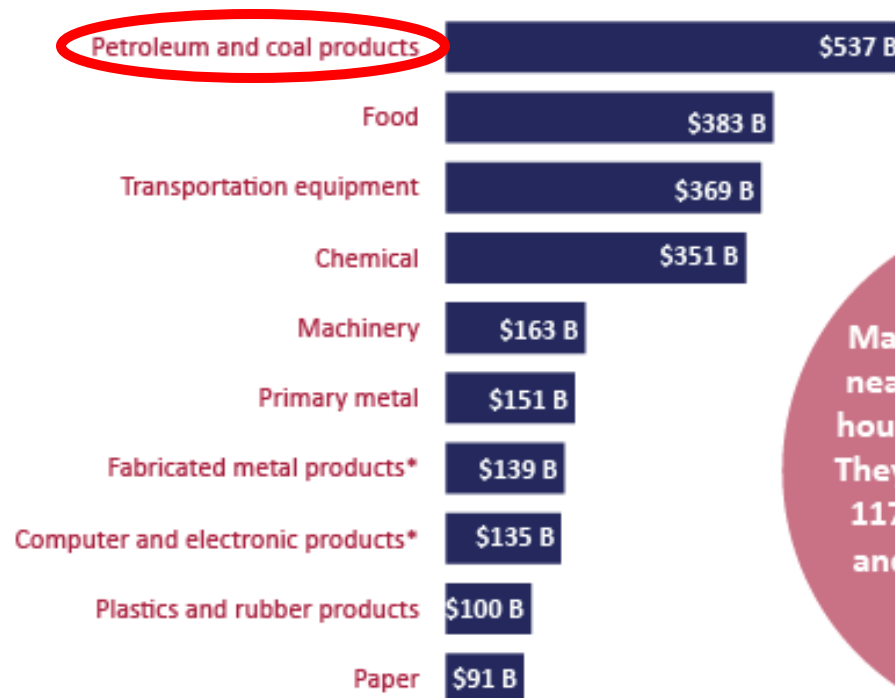
1. California .....	1,144,382*
2. Texas .....	730,551*
3. Ohio .....	599,130
4. Pennsylvania .....	542,667
5. Illinois .....	530,947

\*Manufacturing is not in the top 3 employers in California and Texas

Source: 2010 County Business Patterns

# What do they consume? (2010)

## Top 10 Industries by Cost of Materials (Billions of Dollars)



Manufacturers purchased nearly 789 billion kilowatt hours of electricity in 2010. They also generated nearly 117 billion kilowatt hours and sold nearly 34 billion kilowatt hours.

Source: 2010 Annual Survey of Manufactures

\*Estimates of cost of materials for fabricated metal products and computer and electronic products are not statistically different at the 90 percent level.

Source: 2010 Annual Survey of Manufactures



# What do they produce? (2010)

## Top 10 Industries by Value of Shipments (Billions of Dollars)



The total value  
of shipments  
for 2010 was  
\$4.9 trillion.

Source: 2010 Annual Survey  
of Manufactures

\*Estimates of value of shipments for transportation equipment and petroleum and coal products are not statistically different at the 90 percent level.

Source: 2010 Annual Survey of Manufactures

# Unemployment Rate

updated September, 2012

**6.9% = Dallas**

**7.0% = Houston**

**7.6% = Kingsport, TN-VA**

**8.0% = Seattle**

**8.1% = Portland, Oregon**

**8.2% = San Francisco**

**8.7% = Orlando**

**8.8% = Chicago**

**8.9% = Atlanta**

**9.0% = Philadelphia**

**9.0% = Tampa Bay**

**9.0% = San Diego**

**9.1% = New York**

**9.7% = Charlotte**

**10.3% = Los Angeles**



# Environment & Economy Co-Exist

## Health Ratings (www.bestplaces.net)

### 2010 South Fork Holston River

Environmental Monitoring Studies



THE ACADEMY OF NATURAL SCIENCES  
of DREXEL UNIVERSITY

Patrick Center for Environmental Research

	Air Quality (100 is best)	Water Quality (100 is best)	Superfund Sites (100 is best)	Physicians per 100,000 population
Kingsport, TN	46	97	97	393
Denver, CO	45	87	11	545
Phoenix, AZ	14	65	10	246
Seattle, WA	36	59	20	416
Los Angeles, CA	1	52	10	258
Miami, FL	65	50	10	299
Atlanta, GA	6	47	54	472
San Francisco, CA	57	47	80	639
New York, NY	22	40	60	246
Washington, DC	7	40	90	705
Houston, TX	16	37	11	269
Chicago, IL	7	31	10	369
Boston, MA	26	1	99	1007

# Danelle Glasscock

Executive Director

United Way of Greater Kingsport

- ▶ Communication is key
- ▶ Giving to philanthropy backbone over 1/2 of community giving from their employees (\$2.2 M goal for 2012)
- ▶ Volunteer support is also stellar with 700 employees a year participating in a week of caring
- ▶ Management involvement from the top with non-profits. Our incoming board chair and campaign chair are both Eastman employees
- ▶ Community Advisory Panel
- ▶ Emphasis on safety
- ▶ Reputation for taking care of their employees



United Way of  
Greater Kingsport

Employees in Kingsport, Tenn.,  
provided more than  
**22,500** volunteer hours  
to local United Way agencies in 2010.

Eastman's **Injury and Illness Rate**  
for 2010 was our **4<sup>th</sup> lowest ever**  
and our  
**DAW** rate for 2010 was also  
tied for our **4<sup>th</sup> lowest ever.**

More than 490 members of  
Eastman's Hiking and Canoeing Club  
contributed more than  
**12,500 hours**  
to maintaining the  
**Appalachian Trail.**

Employees from Eastman's  
**EMEA headquarters**  
in The Netherlands have  
donated more than  
**200 hours**  
of their time to assisting teachers at  
the Dr. Logemann school in the  
Rotterdam area, which educates  
immigrant children with  
learning disabilities.

For the second year in a row,  
Eastman received  
**chemical  
safety  
transportation  
excellence  
awards**  
from three of the four major  
United States railroad companies.

## Building a legacy

*Eastman's Kingsport, Tenn., site celebrates its 90th anniversary*

*This year marked a major milestone in Eastman's history — the 90th anniversary of the company's headquarters in Kingsport. Generations of Eastman employees have worked hard to make Eastman the company it is today by carrying on the integrity of our founder, George Eastman. We continue to grow our legacy in the Kingsport community by respecting our surrounding environment, creating a rewarding workplace and supporting the community in which we live and work.*





# “Student Focused ... World Class”

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Kingsport  
City Schools™

# System Goals & Priorities

- Provide world-class curriculum and instruction
- Provide committed and innovative educators
- Furnish safe, appropriate, and well-maintained facilities
- Ensure business operations effectively support teaching and learning
- Engage families and community with schools





# National Recognition

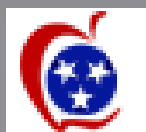


- U.S. News & World Report
- Silver Medal Award winner
- #8 in Tennessee
- Top 5% of all schools in U.S.



# TN State Report Card

Grades 3-8 Academic Achievement			
	2009	2010	2011
Math	A	A	A
Reading/LA	B	B	A
Social Studies	A	A	A
Science	A	A	A



TDOE Report Card

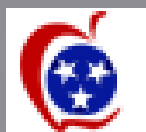


Kingsport  
City Schools™



# TN State Report Card

Grades 5, 8, & 11 Writing			
	2009	2010	2011
Writing 5 <sup>th</sup>	A	A	A
Writing 8 <sup>th</sup>	A	A	A
Writing 11 <sup>th</sup>	A	A	A



TDOE Report Card



Kingsport  
City Schools™

# Academic Achievements

- Tennessee Comprehensive Assessment Program
  - Math (3<sup>rd</sup>-8<sup>th</sup>) Proficiency: 5<sup>th</sup> in Tennessee
  - Algebra II End of Course Proficiency: 4<sup>th</sup> in Tennessee
  - Reading/Language Arts Proficiency: Top 10% in Tennessee
- Graduation Rate: 92.7% (2011)
  - State average = 85.5%
  - State goal = 90 %
- Per Pupil Expenditures: \$10,189
  - State average = \$9,084
- 2011 KCS TCAP Results
  - 5<sup>th</sup> graders 1<sup>st</sup> in state in math
  - 4<sup>th</sup> graders 5<sup>th</sup> in state in reading
  - 5<sup>th</sup> graders 6<sup>th</sup> in state in reading
  - 3<sup>rd</sup> graders 6<sup>th</sup> in state in math
  - 6<sup>th</sup> graders 10<sup>th</sup> in state in math

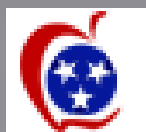




# Academic Achievements

2011 ACT Scores (3-year average)			
	National Avg. (one year)	Tennessee Avg.	KCS
Composite	21.1	19.1	22.1
English	20.6	18.8	22.0
Math	21.1	18.7	21.9
Reading	21.3	19.3	22.3
Science/Reasoning	20.9	19.1	21.7

\*TN one of only eight states to test  
100% of students

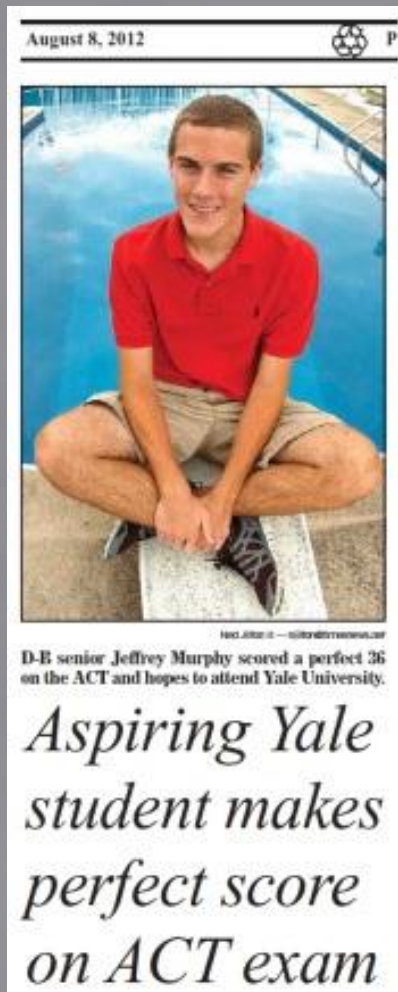


TDOE Report Card



Kingsport  
City Schools™

# Academic Achievements



Board of Education Honors Dobyns-Bennett Students for Perfect ACT Scores



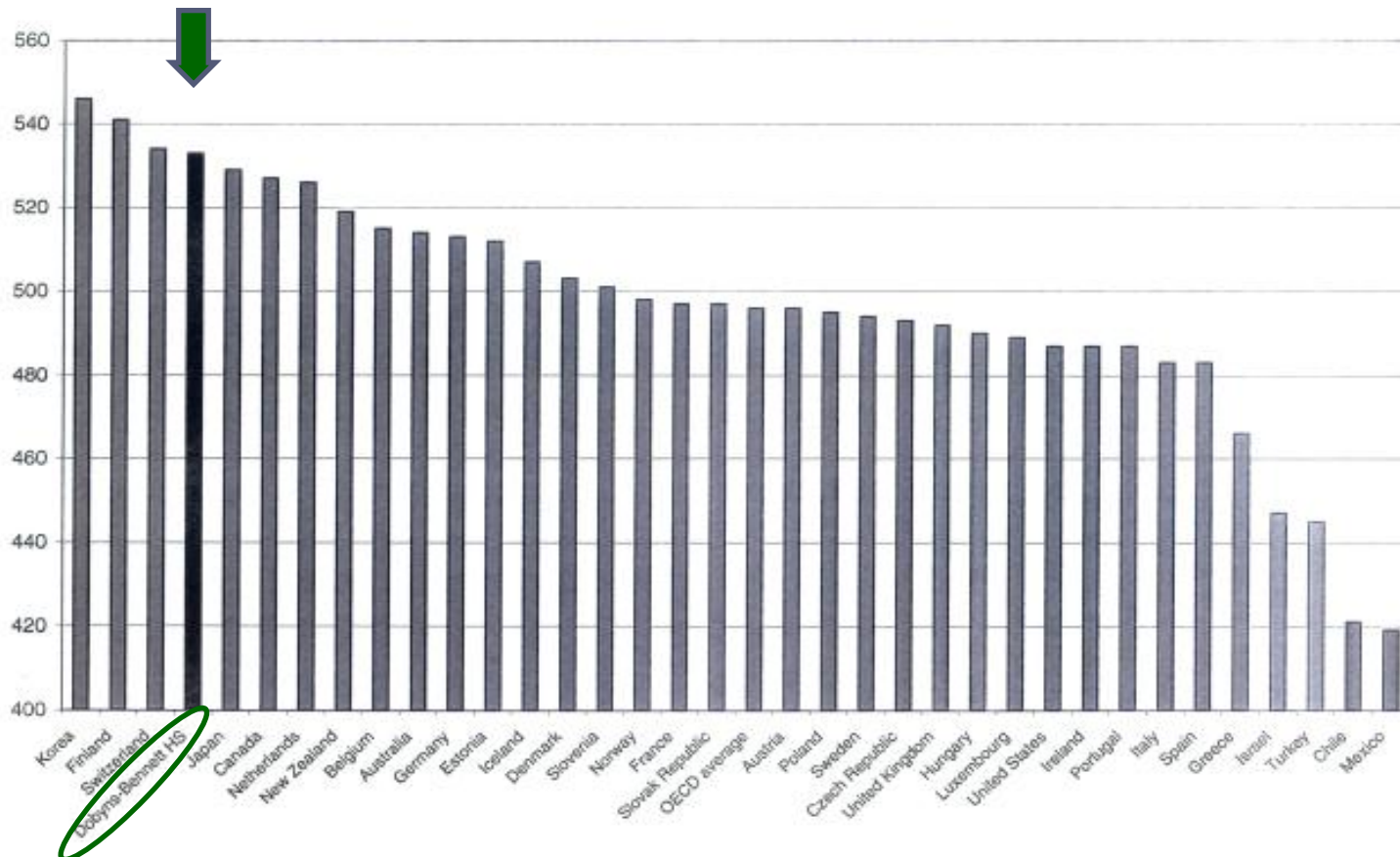
# Dobyns-Bennett High School: An International Comparison

- A rigorous study compared PLAN (in ACT family) to PISA (Program of International Student Assessment)
- 15-year olds from Dobyns-Bennett
- Several U.S. high schools in the study



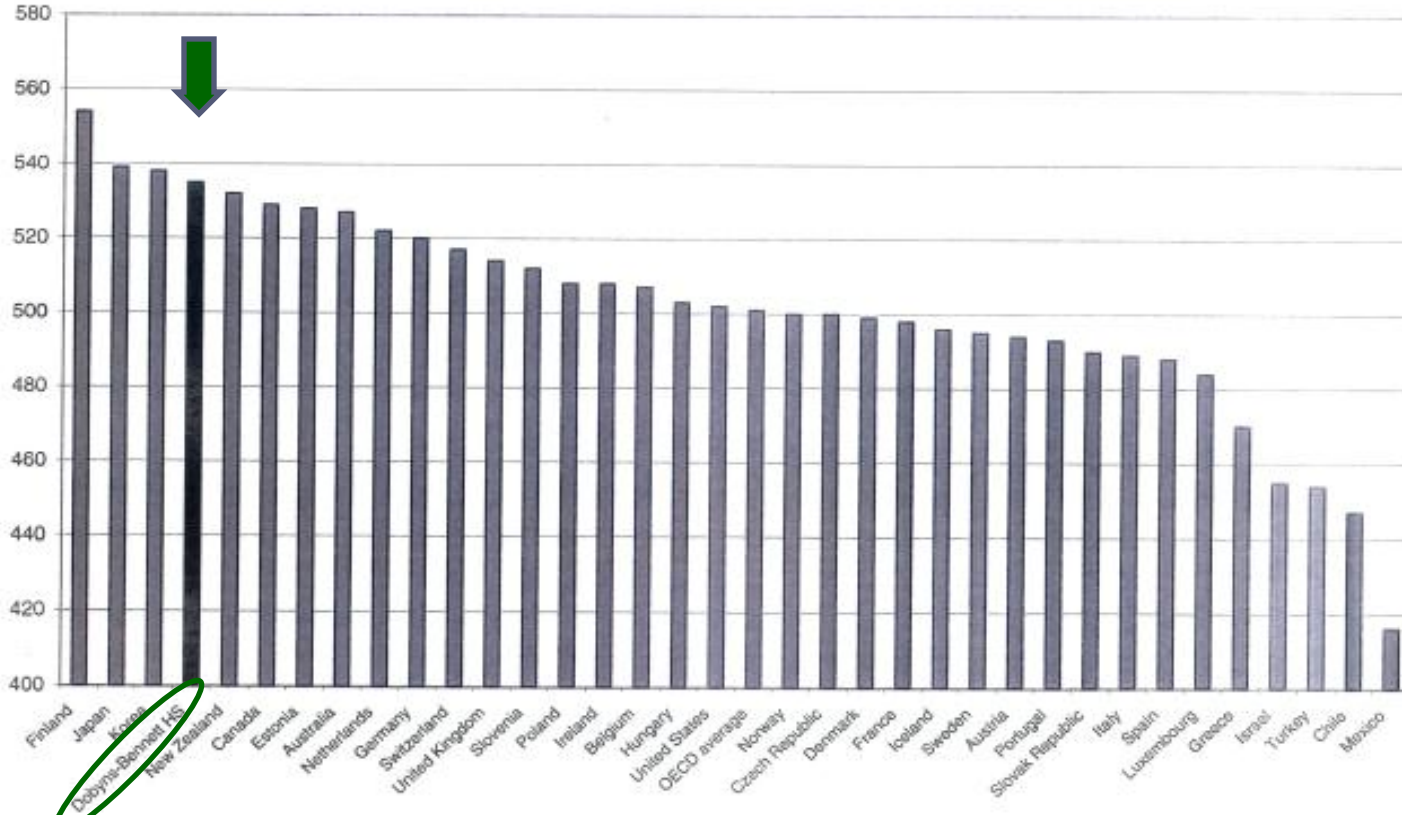


Figure 1e. Mathematics for Students Age 15-Comparison to OECD Countries



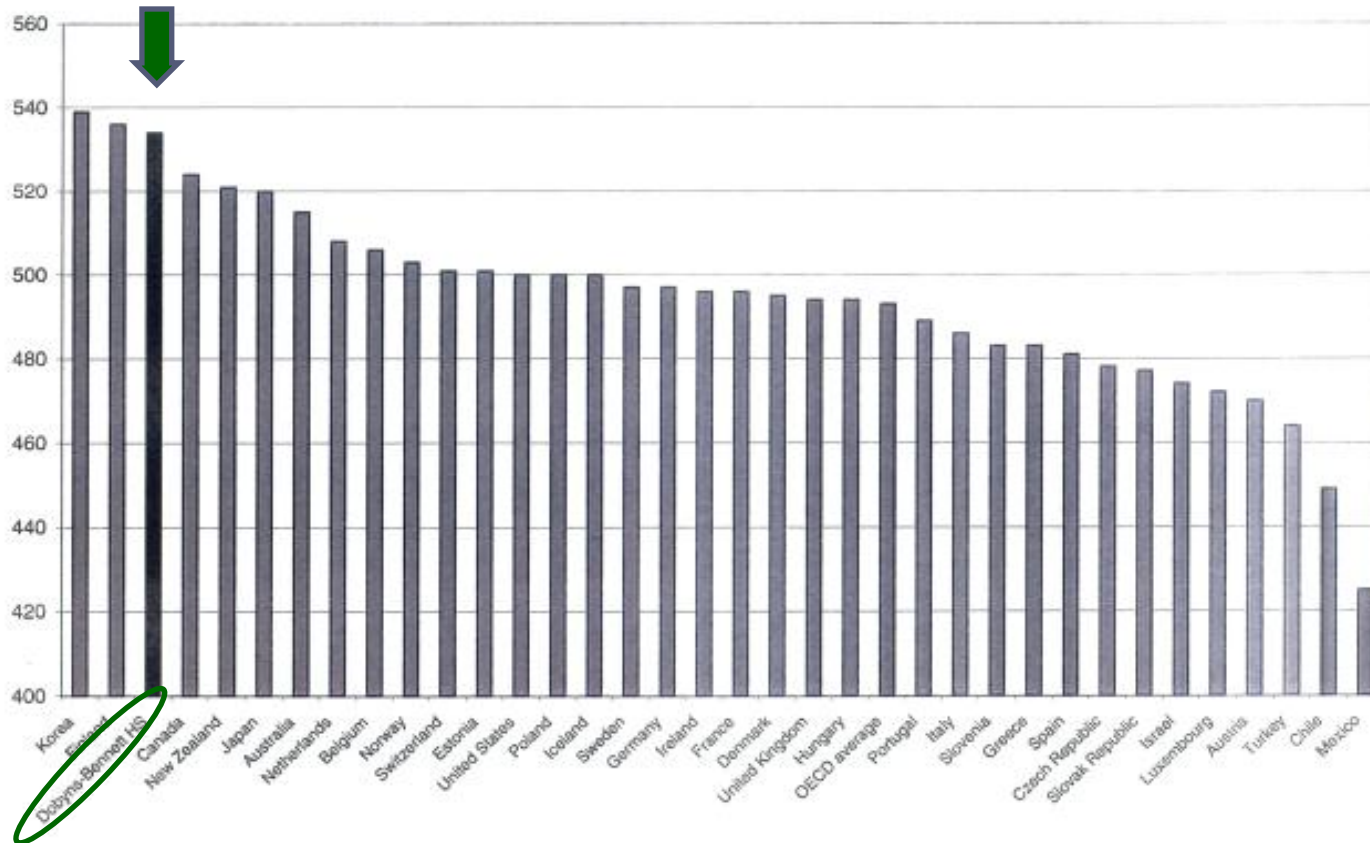
Math: 4<sup>th</sup> in the World

Figure 1f. Science for Students Age 15-Comparison to OECD Countries



Science: 4<sup>th</sup> in the World

Figure 1d. Reading for Students Age 15-Comparison to OECD Countries



Reading: 3<sup>rd</sup> in the World



# An Effective Partnership



**EASTMAN**

- Eastman Scholar Mathlete Program
- Putting Children First Grants
- GEM4STEM
- FIRST Robotics
- Science Olympiad
- Innovation Academy Mentor Teachers



# Welcome

Kingsport, Tennessee USA



Punta Arenas, Magallanes, Chile

